

<b>15th International Roundtable on Business Survey Frames</b>
<b>Washington, D.C. – October 22 – 26, 2001</b>
<div>Session No 3</div> <div>Paper No 3</div> <div><i>Jingyi YE, Xiaoqing TIAN, Nation Bureau of Statistics, China</i></div>
<b><i>Administrative Registers of Basic Units in Different Departments in China</i></b>

## 1. Introduction

Normally In China, the departments for administrative register can be divided into two categories, one is for examination and approval, the other is for register.

These departments, including the Administrative Departments for Industry and Commerce, the Departments of Organization, the Departments of Civil Affairs and related Departments in Charge, are as the authorities for examination and approval or the departments in charge for all kinds of units register, such as the enterprise as a legal person, the institutions, the administrative units, the social organizations and community-owned non-enterprise. After approved, these units should register the relevant information (such as the unit codes, tax information) in relevant departments for register.

The authorities in charge for the registration of the different kinds of units and the main limits of authority show in the Figure 1 presents the Register of the Units in Schematic Form.

The different kinds of units are examining and approving under the different law basis separately, which include General Principles of the Civil Law of The People's Republic of China , Regulations of the People's Republic of China for Controlling the Registration of Enterprises as Legal Persons, Law of the People's Republic of China on Companies, Regulations of the People's Republic of China on Administration of Registration of Companies, Temporary Regulations for Controlling the Registration of Institutions, Regulations for Controlling the Registration of Public Organizations, Temporary Regulations for Controlling the Registration of Community- Owned Non- Enterprises and other related registrations of law and definitions.

### **Departments for Examination and Approval**

## 2. Administrative Departments for Industry and Commerce

The Administrative Departments for Industry and Commerce, which are the registration authority, are responsible for examination and approval, registration of the following different kinds of business units: Company's Enterprise Legal Person, Non- Company's Legal Person(Enterprise Legal Person), Non-Legal Person Enterprises( including solely privately-owned enterprises, solely individual enterprises and enterprises of individual partnership), Businesses in Operations, Individual Businesses.

### 2.1 Law basis of registration

A company is an enterprise legal person of the company approved to register by the company registration authority under Regulations of the People's Republic of China on Administration of Registration of Companies. The company can be divided into three kinds of: companies limited by shares, companies with investment authorized by the State Council, limited liability companies.

The Non- Company, Which is in contrast to the Company, is an enterprise legal person approved to register by the company registration authority under Regulations of the People's Republic of China for Controlling the Registration of Enterprises as Legal Persons.

A solely privately-owned enterprise is approved to register under Temporary Regulations for Controlling the Registration of Privately-owned Enterprises of the People's Republic of China.

A solely individual enterprise is approved to register under Law of Solely Individual Enterprise of the People's Republic of China.

An enterprise of individual partnership is approved to register under Law of Enterprises of Individual Partnership of the People's Republic of China.

A individual business is approved to register under Temporary Regulations for Controlling the Registration of Individual Businesses of the People's Republic of China.

A Chinese-foreign joint venture, a Chinese-foreign cooperative enterprise and solely foreign venture are approved to register separately under Law of the People's Republic of China on Chinese-foreign Equity Joint Ventures, Law of the People's Republic of China on Chinese-foreign Cooperative Enterprises and Law of the People's Republic of China on Foreign-Capital Enterprises.

## 2.2 Jurisdictions (limits of authority) and structures of organization for registration

The enterprises and the businesses in operations at various levels are approved to register and managed respectively by the administrations for industry and commerce at the level of the nation, provinces, counties, and townships in areas under their respective jurisdictions. For examples, the special large-sized enterprises at the level of the nation, authorized by the State Council, should be registered and managed by the State Administration Bureau for Industry and Commerce; the enterprises authorized by the governments of a provinces should be registered and managed by the administrations for industry and commerce at the level of province and at the same area; other than those listed above the enterprises, the businesses in operations and individual businesses all should be registered and managed by the administrations for industry and commerce at the level of a municipality or a county, or a township, which are all the dependent administrations of a province.

The establishment, change and closing down of all the enterprises will respectively conduct their enterprise registration of establishment, changes and cancellation in accordance with relevant law. Meanwhile in every year, the administrations for industry and commerce at various levels will conduct annual examination of the enterprises. The enterprises which don't accept annual examination continuous two years in accordance with the relevant provisions should be required to accept the annual examination within a fixed time limit by the enterprise registration authority. If the enterprise does not yet accept the annual examination at the expiration of the specified period, Its business license shall be revoked.

By the end of 2000, the registered industrial and commercial enterprises legal person amounted to 4.25 million and individual businesses 27 million.

Known as the status of the administrations for industry and commerce, it haven't been set up the database of enterprise registration in the whole county, but in the some regions where the economy has developed reaching higher level, the regional database of enterprise registration had been set up.

## 3. Departments of Civil Affairs

The Departments of Civil Affairs, which are also the registration authority, are responsible for examination and approval, registration of the social organizations and community-owned non-

enterprises under the relevant law, and also are responsible for administration of the organ of self-government by the basic masses( including residents committee and villagers committee).

### 3.1 Law basis of registration

Normally, the different kinds of social organizations as a legal person need go through the procedures for registering and filing in the departments of civil affairs at various levels. But according to law such social organizations don't need to go through the registration procedures in the departments of civil affairs, including the People's Community (such as eight Subcommittees of Chinese People's Political Consultative Conference), the social organizations approved not to need registration by State Council, and the social organizations approved to establish by the administrative departments in charge and qualified as a legal person.

The community-owned non-enterprise is approved to register under Temporary Regulations for Controlling the Registration of Community-Owned Non-Enterprise.

The residents committee and villagers committee, which are approved to establish by People's Congress at various levels, are administrated.

### 3.2 Jurisdictions and structures of organization for registration

The different kinds of social organizations and the community-owned non-enterprise at various levels are approved to register respectively by the departments of civil affairs at the level of the nation, provinces, counties, and townships in areas under their respective jurisdictions. Also the departments of civil affairs are responsible for administrating the organ of self-government by the basic masses(residents committee and villagers committee).

By the end of 2000, the different kinds of social organizations as a legal person amounted to 136,841 and the organ of self-government by the basic masses 916,298.

It haven't been set up the database of the social organization and the organ of self-government in the departments of civil affairs by now.

## 4. Departments of Organization

### 4.1 Law basis of registration

The Departments of Organization are responsible for examination and approval, registrations of the institutions under the relevant law, and are responsible for administration of government agencies and parties, which are all the agencies as legal person respectively approved to establish by People's Congress at various levels and Delegate's Congress of Communist Party of China at various levels.

Beginning in 1998, the institutions as legal person are approved to register or file under Temporary Regulations for Controlling the Registration of Institutions. The institutions which had been approved to establish by the departments of organization before 1998, should apply for registration again and now the registration of restart are in progress.

### 4.2 Jurisdictions and structures of organization for registration

The institutions at various levels are approved to register respectively by the departments of organization at the level of the nation, provinces, counties, and townships in areas under their respective jurisdictions. Also the departments of organization are responsible for administrating the agencies as legal person.

It haven't been established the database of the institutions and the agencies as legal person in the departments of organization by now.

## **5. Relevant Departments in Charge**

The different kinds of units are examined and approved by the relevant administrative units in charge under relevant laws and regulations, such as the different kinds of the office of lawyer done by the departments of justice at various levels under Law of the People's Republic of China on Lawyer; the different kinds of the labor union done by Labor Union at various levels under Law of the People's Republic of China on Labor Union; the different kinds of schools done by the departments of education at various levels under Law of the People's Republic of China on Education, and so on.

## **Departments for Registers**

## **6. Registered Items**

After examined and approved to register by the departments for examination and approval, in which a unit should register the items: such as title, domicile, legal representative, registered capital, number of employees, type of enterprise, business scope, term of operation, then the units should register the relevant information in relevant departments for register. For example, the registered units should register the unit codes in departments of quality and technical supervision(The unit codes is centralized and a unique identifier for each of agency, enterprise, institution and organization approved to establish under the law in the whole county, and each of units is only one unit code); report some registration information in the statistical departments; especially the units of enterprise are also compulsory for registering the tax information in the departments of the taxation.

## **Statistical departments**

## **7. Basic Units List**

With the approval of the State Council, the National Census of the Basic Units done at 5-year intervals and covered years ending in '1' and '6'.The first one was undertaken in 1996. The census covered all the institutional units and establishments engaged in social and economic activities except the agricultural households and self-employed labor. After the first national census of the basic units, the management system of database for basic units list was established, which including the references of the census, by statistical departments under the central Government, provincial capitals and cities separately, also by some county with good conditions. On the other hand, in order to get the information for the national accounting and the annual surveys during the non-census year, the Statistical Registration System has been established in 22 statistical bureaus of the provinces and cities separately in succession as great majority sources accordance with relevant local legislations. This kind of registration system is a effective support for data collection and management of different units. But registration information collected from the different channels and methods, such as estimations, administrative sources, inquiries or other censuses, are different standard criterion for related information and no integration. This is not suitable to reflect the real cases and also not to update the database for basic units list on the status of the various initiatives by using census collection. So the main objective for the registration information in the future, by conducting the Second National Census of the Basic Units, should mostly link up and unify the identified standards and codes between the different kinds of the units in the aspects of registration, connect the different kinds of units by internet and establish the management system of database for basic units list which are juncture and supplement mutually, update more timely between all kinds of units in order to bring about exchanging and sharing information between the different departments.

Register of the Units in Schematic From

